

CITY OF TIGARD, OREGON

RESOLUTION NO. 06-74

A RESOLUTION FINALIZING SANITARY SEWER REIMBURSEMENT DISTRICT NO. 32 (SW FERN STREET) AND AMENDING THE PRELIMINARY CITY ENGINEER'S REPORT CONTAINED IN RESOLUTION NO. 05-05.

WHEREAS, on January 25, 2005, the City Council approved Resolution No. 05-05 to form Sanitary Sewer District No. 32 to construct a sewer in SW Fern Street in accordance with TMC Chapter 13.09; and

WHEREAS, Resolution No. 05-05 included the City Engineer's Report, which provided an estimated construction and total project cost; and

WHEREAS, construction of the sewer improvements has been completed, final costs have been determined and the City Engineer's Report has been revised to include the final costs as required by TMC 13.09.105 (1); and

WHEREAS, the property owners within the district have been notified of an informational hearing in accordance with TMC 13.09.060 and an informational hearing was conducted in accordance with TMC 13.09.105; and

WHEREAS, the City Council has determined that the proposed revisions to the City Engineer's Report as recommended by the City Engineer are appropriate.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:


SECTION 1 The Final City Engineer's Report titled "Sanitary Sewer Reimbursement District No. 32", attached hereto as Exhibit A, is hereby approved.

SECTION 2 The City Engineer's Report as presented in Resolution No. 05-05 is hereby amended by the attached Final City Engineer's Report (Exhibit A).

SECTION 3 The City Recorder shall cause a copy of this resolution to be filed in the office of the County Recorder and shall mail a copy of this resolution to all affected property owners at their last known address.

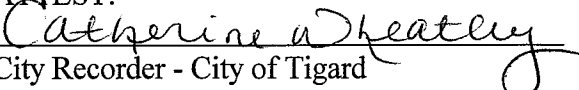
SECTION 4 This resolution is effective immediately upon passage.

PASSED: This 28th day of November 2006.



Mayor - City of Tigard

ATTEST:



City Recorder - City of Tigard

Exhibit A

City Engineer's Report Sanitary Sewer Reimbursement District No. 32 (SW Fern Street)

Background

This project was constructed and funded under the City of Tigard Neighborhood Sewer Extension Program (NSEP). Under the program the City of Tigard installed public sewers to each lot within the project area. At the time the property owner connects to the sewer, the owner must pay a connection fee, currently \$2,735, and reimburse the City for a fair share of the cost of the public sewer. There is no requirement to connect to the sewer or pay any fee until connection is made. In addition, property owners are responsible for disconnecting their existing septic system according to Washington County rules and for any other modifications necessary to connect to the public sewer.

Project Area - Zone of Benefit

A line in Fern Street was extended east to serve the five lots shown on Exhibit Map B.

Cost

The final cost for the sanitary sewer construction to provide service to the five lots is \$59,437.00. Engineering and inspection fees amount to \$8,024.00 (13.5%) as defined in TMC 13.09.040(1). The final total project cost is \$67,461.00. This is the amount that should be reimbursed to the sanitary sewer fund as properties connect to the sewer and pay their fair share of the total amount. However, the actual amount that each property owner pays is subject to the City's incentive program for early connections.

In addition to sharing the cost of the public sewer line, each property owner will be required to pay an additional \$2,735 connection and inspection fee when connection to the public line is made. All owners will be responsible for all plumbing costs required for work done on private property.

Reimbursement Rate

All properties are zoned R-4.5 but vary in lot size from 21,000 to 43,000 square feet as can be seen in the following list of lots. Therefore, it is recommended that the total cost of this portion of the project be divided among the five properties proportional to the square footage of each property.

Other reimbursement methods include dividing the cost equally among the owners or by the length of frontage of each property. These methods are not recommended because there is no correlation between these methods and the cost of providing service to each lot or the benefit to each lot.

13620 SW Fern Street is a flag lot with an 8,003 square foot driveway which does not benefit from the sewer. This driveway area was deducted from the total lot area to determine the estimated cost for this lot.

Each property owner's estimated fair share of the public sewer line is \$0.37407729 per square foot of the lot served. Each owner's fair share would be limited to \$6,000, to the extent that it does not exceed \$15,000, for connections completed within three years of City Council approval of the final City Engineer's Report following construction in accordance with Resolution No. 01-46 (attached). In addition to paying for the first \$6,000, owners will remain responsible for paying all actual costs that exceed \$15,000. Upon request, payment of costs that exceed \$15,000 may be deferred until the lot is developed as provided by Resolution No. 03-55 (attached).

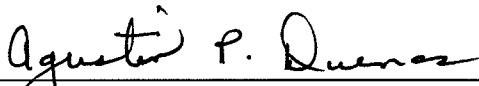
Annual Fee Adjustment

TMC 13.09.115 states that an annual percentage rate shall be applied to each property owner's fair share of the sewer line costs on the anniversary date of the reimbursement agreement. The Finance Director has set the annual interest rate at 6.05% as stated in City of Tigard Resolution No. 98-22.

Recommendation

It is recommended that a reimbursement district be finalized with an annual fee increase as indicated above and that the reimbursement district continue for fifteen years as provided in the Tigard Municipal Code (TMC) 13.09.110(5). Fifteen years after the formation of the reimbursement district, properties connecting to the sewer would no longer be required to pay the reimbursement fee.

Submitted November 14, 2006


Agustín P. Duenas, P.E.
City Engineer

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**FERN STREET
Reimbursement District No. 32**

*Final Cost to Property Owners
October 4, 2006*

	OWNER	SITE ADDRESS	TAX LOT ID	AREA (S.F.)	AREA (AC)	FINAL REIMBURSEMENT FEE	AMOUNT TO BE PAID BY OWNER	AMOUNT TO BE PAID BY CITY	AMOUNT THAT CAN BE DEFERRED BY OWNER
1	HAVILAND, RANDALL S TR & LEUEEN M	13625 SW FERN ST	2S104BD01300	21169.66925	0.486	\$7,919	\$6,000	\$1,919	\$0
2	ROMAN, CATHOLIC ARCHBISHOP OF PORTLAND	13665 SW FERN ST	2S104BD01400	22346.68844	0.513	\$8,359	\$6,000	\$2,359	\$0
3	BENETTI, MARCO A & SALLY A	13650 SW FERN ST	2S104BD02100	48852.1919	1.121	\$18,274	\$9,274	\$9,000	\$3,274
4	CLARKE, JOHN A & NANCY J	13620 SW FERN ST	2S104BD02300	43255.11633	0.993	\$16,181	\$7,181	\$9,000	\$1,181
5	CLARKE, JOHN A & NANCY J	NO ADDRESS ON FERN ST	2S104BD02102	44716.0566	1.027	\$16,727	\$7,727	\$9,000	\$1,727
			Totals	180340	4.14	\$67,461	\$36,183	\$31,278	\$6,183

The "ESTIMATED REIMBURSEMENT FEE" column shows the estimated reimbursement fee for each lot. There are no requirements to connect to the sewer or pay any fees until the owner decides to connect to the sewer. The final reimbursement fee will be determined once construction is complete and final costs are determined.

In accordance with Resolution No. 01-46, each property owner will be required to pay the first \$6,000 of the final reimbursement fee for connections completed within the first three years of City Council's approval of the final City Engineer's Report following construction. The "AMOUNT TO BE PAID BY CITY" column shows that portion of the reimbursement fee that the owners will not be required to pay if they connect to the sewer during this three year period.

This resolution also requires owners to pay any fair share amount that exceed \$15,000. Consequently, if the final fair share for an owner exceeds \$15,000, the owner would be required to pay \$6,000 plus that amount of the fair share that exceeds \$15,000. Under Resolution No. 03-55, payment of the amount in excess of \$15,000 may be deferred until the owner's lot is developed. This amount is shown in the "AMOUNT THAT CAN BE DEFERRED BY OWNER" column.

In addition to the reimbursement fee, the owners will also be required to pay a connection fee, currently \$2,735, at the time of connection to the sewer. In addition, property owners are responsible for disconnecting their existing septic system according to Washington County rules and for any other modifications necessary to connect to the public sewer.

FERN STREET
Reimbursement District No. 32
Final Cost to Property Owners
Summary
October 4, 2006

Final Construction Cost	\$59,437.00
13.5% (Admin & Eng)	\$8,024.00
total project costs	\$67,461.00
total area to be served (S.F.)	180,340
total cost per S.F. to property owner	\$0.37407729

FERN STREET
SANITARY SEWER IMPROVEMENTS REIMBURSEMENT DISTRICT #32
A PORTION OF THE NE 1/4 OF SECTION 4 T2S R1W W.M.

